FEDERAL AVIATION ADMINISTRATION

BUDGET IN BRIEF

Fiscal Year 1997

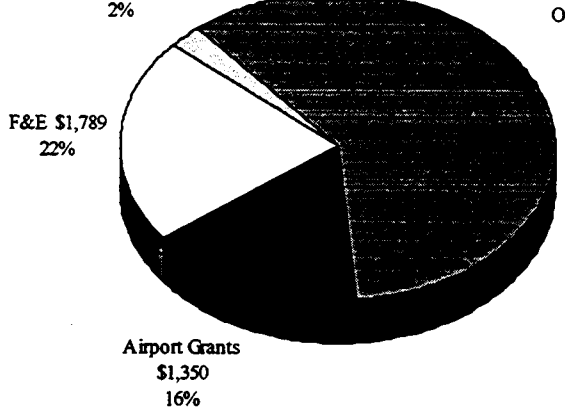

Figure 1

billion (which includes $150 million for new user fees), an increase of $98 million over the FY 1996 level. This funding level will allow 75 percent of the agency's programs to be funded from trust fund resources. The Administration is supporting S. 1239, the McCain/Ford/Hollings Bill, an Act to Reform the FAA, as reported by the Senate Commerce Committee. This legislation would assure a continuing level of financial support as federal financial resources become more scarce.

Summary of Funds
(Dollars in Millions)

Appropriation	FY 1996	Change	FY 1997 Request
Operations	$4,643.7	$274.6	$4,918.3
(General)	(2,419.9)	394.2	(2,025.7)
(Trust)	(2,222.9)	-519.7	(2,742.6)
(Carryover)	(0.9)	0.9	
(User Fees)		150.0	(150.0)
Grants-In-Aid-Airports			
Obligation Limitation	1,450.0	-100.0	1,350.0
Facilities and Equipment	1,874.9	-86.2	1,788.7
Rescission	(60.0)	60.0	
Research, Engineering and Development	185.7	10.0	195.7
Aircraft Purchase Loan Guarantee	0.05	0.0	0.05
Total	$8,154.3	$98.4	$8,252.7
(General)	(2,419.9)	-394.2	(2,025.7)
(Trust)	(5,733.5)	343.5	(6,077.0)
(Carryover)	(0.9)	-0.9	
(User Fees)		150.0	(150.0)
Contract Authority			
Grants-In-Aid Airports	2,214.0	-864.0	1,350.0

Table 1

The distribution to the left reflects the budget resources proposed in the FY 1997 budget request as compared to the FY 1996 levels.

of 3.9 percent, above the level for FY 1996, and 45,122 employees, 484, or 1 percent, above that estimated for the end of FY 1996. The funding consists of $4,768 million in new budget authority and $150 million in new user fees. As detailed in Table 1, savings of $35.9 million are proposed, primarily due to reductions in staffing (we expect to lose 579 people in FY 1997 due to attrition), leased telecommunications savings, and the proposed closure of certain non-automated flight service stations. These savings are offset by increases of $310.5 million, most of which are non-discretionary increases associated with mandatory pay adjustments, inflationary growth, and with bringing new equipment on-line and making it operational. Other increases would fund growth in our safety workforces (controllers, inspectors, and maintenance technicians) and high-priority initiatives such as continuation of our contracting tower and contract weather programs. Of the total requested, $3,711 million, 76 percent of the Operations budget, will support payroll costs. The remaining $1,207 million, 24 percent, will fund non-payroll costs such as rent, communications, utilities, equipment and supplies, and essential support contracts.

Table 2

Build-Up of the FY 1997 Operations Budget
(Dollars in Millions)

FY 1996 Enacted[1]			$4,643.7
Decreases		Increases	
Cost Savings::		Mandatory Pay Adjustments	+128.0
Reduction in Personnel and Related Costs	-22.2	Non-Pay Inflation Adjustment	+15.4
Reductions/Terminations in Programs	-13.7	Operating /Supporting New Safety and Capacity Equipment	+90.0
		Staffing Increases:	
		Air Traffic Controllers (+500)[2]	+13.0
		Aviation Inspectors/Clerical Support (+410)	+14.0
		Field Maintenance Personnel (+134)	+2.9
		Continuation of High-Priority Programs:	
		Contract Tower and Contract Weather	+22.8
		Additional Air Traffic Change of Station Funding	+12.0
		Additional Technical Training/Flight Proficiency Funding	+10.0
		Other	+2.4
Total Savings	-35.9	Total Increases	+310.5
FY 1997 Request			$4,918.3

[1] Includes $916,000 in carryover

[2] This is total new controller hiring. After expected attrition, there will be a net increase of 250 controllers.

projects to improve safety and security, and mitigate noise. This level assumes $196 million to cover FY 1997 payments for existing AIP letters of intent (LOI). Airport grant funding will continue to be supplemented by the passenger facility charges. At the end of calendar year 1995, 246 airports have been approved to collect PFCs totaling more than $900 million in FY 1997. Legislation is being proposed to reauthorize the airport improvement program in FY 1997.

Facilities and Equipment

The FY 1997 request for Facilities and Equipment (F&E) is $1,789 million, a five percent decrease from the FY 1996 enacted level. Included in this request are capital needs contained in the FAA's Capital Investment Plan (CIP). The budget continues funding to support major systems such as the en route, terminal and tower automation programs, next generation weather radar, the oceanic radar program, communications, and satellite navigation.

Research, Engineering & Development

For Research, Engineering and Development (R,E&D) the budget requests $196 million, a five percent increase over the FY 1996 enacted level. The R,E&D budget focuses on increased initiatives in security technology, satellite navigation, aircraft safety technology, aging aircraft, and human factors research along with the ongoing development of safety and capacity programs.

Employment

The FAA has been one of the leaders within the Federal government in reducing its workforce. FAA now has about 47,300 total employees, a reduction of 5,100 since 1993.

The FY 1997 budget reflects a net increase of 492 employees from the FY 1996 estimate for all appropriations. Employment will be increased over the FY 1996 levels in several safety work forces. The budget proposes the hiring of an additional 500 controllers (for a net increase of 250 after attrition), 410 flight standards and certification inspectors and clerical support personnel, and 134 new field maintenance technicians. These increases will allow these critical staffing areas to meet current and anticipated growth in aviation activity, the expected increase in the number and complexity of our air traffic control systems, and projected retirements.

developing a series of unprecedented reforms in its personnel and procurement systems. These reforms were authorized in Public Law 104-50, the FY 1996 Transportation and Related Agencies Appropriations Act and will make it possible for FAA to operate more like a business. The most important piece of reform, still not approved, is financial reform which is supported in S. 1239. Financial reform will assure a continuing level of financial support as federal resources become more scarce.

Franchise Fund

The FY 1997 budget proposes the establishment of the Administrative Services Franchising Fund to finance operations where the costs for goods and services provided are charged to the internal and external users on a fee-for-service basis. This fund will improve organizational efficiency and provide better support to our customers for services including accounting, payroll, international training, travel, duplicating, multi-media, and information technology services.

Airport and Airway Trust Fund

Public Law 103-305, the Federal Aviation Administration Authorization Act of 1994 extended FAA's programs through 1996. This Act provided authorization levels for FAA's Operations, Facilities and Equipment, and Airport Improvement Program (AIP) for FY 1994 through FY 1996, and the Research, Engineering and Development program for FY 1995 and FY 1996. FAA is submitting legislation for one year authorization of AIP (through FY 1997) and a three year authorization of other programs.

The Act authorized AIP contract authority of $2.105 billion for FY 1994; $2.161 billion for FY 1995, and $2.214 billion for FY 1996. However, in July 1995, Public Law 104-19, which made emergency supplemental appropriations for additional disaster assistance, rescinded $2,094 million in AIP unobligated contract authority, of which $711 million applied to FY 1995 contract authority. The Facilities and Equipment program was authorized at $2.524 billion for FY 1994, $2.670 billion for FY 1995, and $2.735 billion for FY 1996. Authorization levels for the Research, Engineering and Development program were $266.8 million in FY 1995 and $280.1 million in FY 1996. FAA's Operations account was authorized at $4.576 billion for FY 1994, $4.674 billion for FY 1995, and $4.810 billion for FY 1996.

The Omnibus Budget Reconciliation Act of 1990 (OBRA90) increased (by 25 percent) the domestic passenger ticket tax, the freight waybill tax, and the non-commercial (general aviation) fuels tax. (The international departure tax was previously increased from $3 to $6 per passenger,

commercial aviation increased from 12 cents per gallon to 15 cents per gallon and the tax on non-commercial (jet fuel) increased from 14 to 17.5 cents per gallon.

However, as of December 31, 1995, authority to collect these user taxes (contained in sections 4041, 4091, 4261, and 44271 of 26 USCS) and to transfer these tax collections to the Trust Fund (section 9502 of 26 USCS) expired due to a delay in reenacting the authority. For preparation of the FY 1997 budget, FAA assumes that authority to collect and transfer aviation taxes will be reenacted in August 1996.

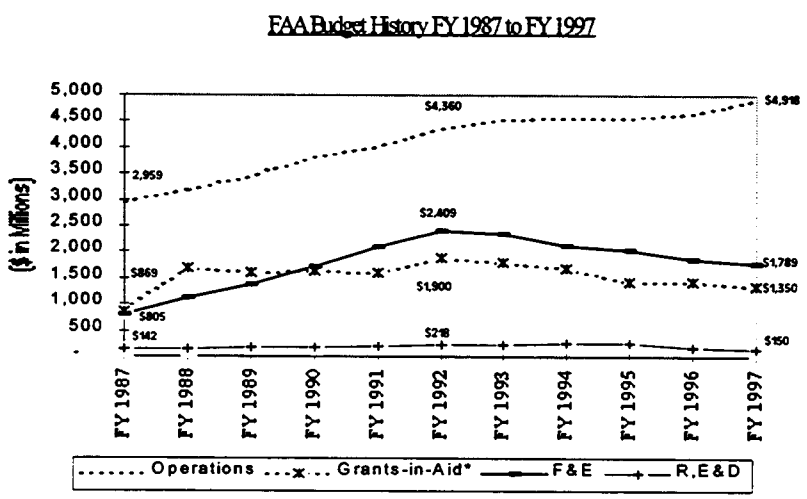

Figure 2

FAA estimates that $5.9 billion in user tax revenues would have been collected into the Trust Fund in FY 1996 had tax collections not been interrupted. The estimated 7 months of foregone taxes (January through July 1996) will lead to a loss of $3.6 billion of these revenues, resulting in total FY 1996 tax receipts of only $2.3 billion. An additional $0.8 billion in interest will accrue to the Trust Fund cash balance. The uncommitted balance in the Trust Fund, which was $5.1 billion at the end of FY 1995, is expected to fall to $1.6 billion by the end of FY 1996 due to the foregone taxes.

Reenactment of the aviation taxes in August 1996 would result in a full year of tax revenues for FY 1997. Total revenues expected in FY 1997 are $6.8 billion, which includes $0.6 billion in interest earned by the Trust Fund cash balance. Assuming a recovery of 75 percent of FAA's budget from the Trust Fund in FY 1997, the uncommitted balance in the Trust Fund at the end of FY 1997 would be $2.3 billion.

	FY 1995 Actual	FY 1996 Estimate	FY 1997 Request
Direct	*47,347*	*47,454*	*47,946*
Operations (by Line of Business)	*44,619*	*44,638*	*45,122*
Air Traffic Service	**35,276**	**35,077**	**35,269**
Controllers	17,322	17,050	17,300
Field Maintenance	7,966	8,230	8,364
Other	9,988	9,797	9,605
Aviation Regulation & Certification	**4,867**	**5,049**	**5,436**
Inspectors/Clerical Support Personnel	3,585	3,807	4,217
Other	1,282	1,242	1,219
Civil Aviation Security	**743**	**768**	**764**
Airports	**450**	**478**	**478**
Research & Acquisitions	**641**	**693**	**679**
Commercial Space Transportation	**24**	**32**	**34**
Administration	**2,016**	**1,964**	**1,899**
Human Resource Management	1,050	1,019	983
Other	966	945	916
Staff Offices	**602**	**577**	**563**
Facilities and Equipment	*2,139*	*2,200*	*2,181*
Research, Engineering & Development	*586*	*613*	*640*
Aviation Insurance Revolving Fund	*3*	*3*	*3*
Reimbursable/Allocations	*370*	*414*	*414*
Operations	317	353	353
Facilities and Equipment	50	55	55
Research, Engineering & Development	3	6	6
TOTAL END OF YEAR EMPLOYMENT	*47,717*	*47,868*	*48,360*

	FY 1995 Actual	FY 1996 Estimate	FY 1997 Request
Direct	**47,972**	**48,141**	**48,406**
Operations	45,187	45,185	45,476
Facilities and Equipment	2,151	2,250	2,231
Research, Engineering & Development	631	703	696
Aviation Insurance Revolving Fund	3	3	3
Reimbursable	**403**	**414**	**414**
Operations	350	353	353
Facilities and Equipment	50	55	55
Research, Engineering & Development	3	6	6
Total	**48,375**	**48,555**	**48,820**
FTE-Full Time Permanent	47,616	47,838	48,103
FTE-Other Than Full Time Permanent	759	717	717

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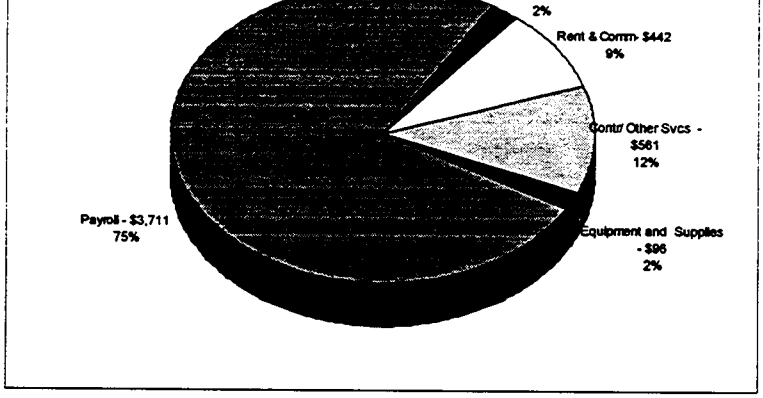


Figure 3

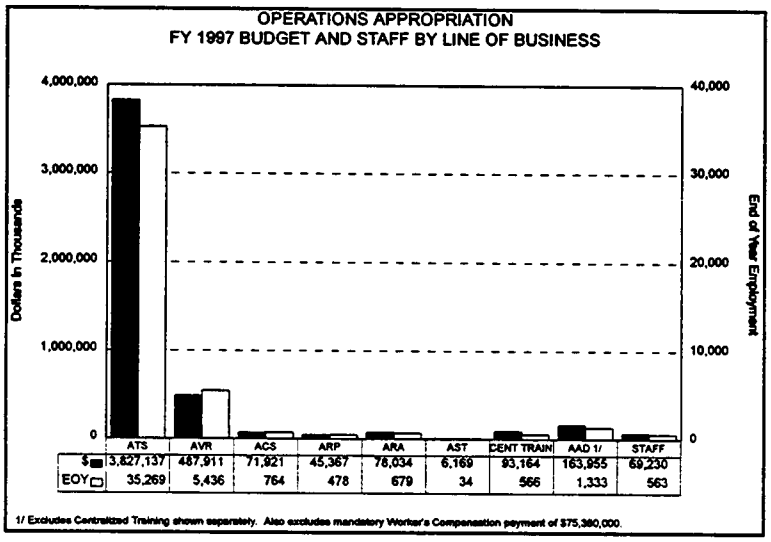


Figure 4

This increase in a very tight budget year recognizes the need to increase safety staffing and the need to bring on-line and make fully operational new safety and capacity air traffic equipment being delivered. This requested level of $4,918 million will be financed through $4,768 million in new budget authority and $150 million in new user fees.

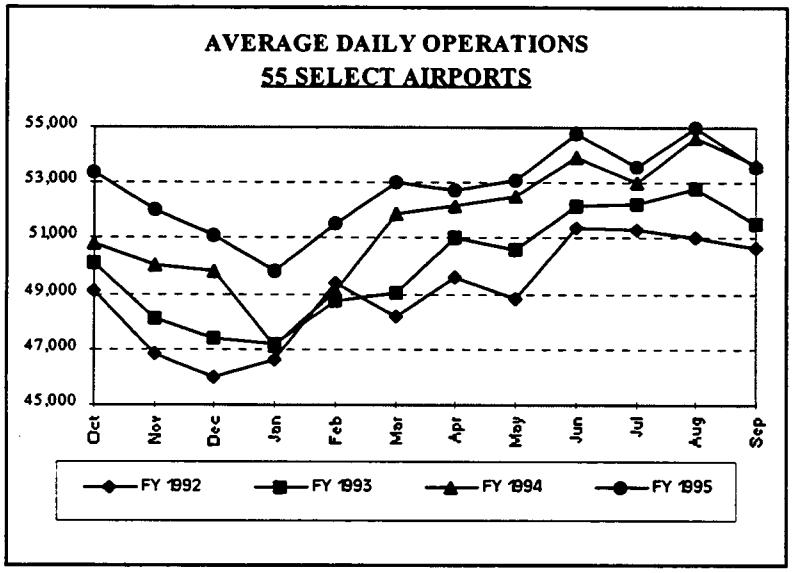
In terms of safety staffing, the President's Budget for FY 1997 proposes to hire 500 new controllers (for a net increase of 250 after attrition), 410 new flight standards and certification inspectors and clerical support personnel, and 134 new field maintenance technicians. These essential increases will allow these safety staffing areas to better meet the current and anticipated growth in aviation activity, the expected increase in the number and complexity of our air traffic control systems, and a predicted increase in our number of safety-staffing retirements.

The President's Budget also provides $90 million in new money to make operational the new equipment now being delivered. These funds will cover such expenses as utilities, operational and maintenance training, and spare parts. Without these essential funds, new equipment being developed and delivered could not become operational and would have to be warehoused with no benefit to either aviation users or the FAA.

Detailed information in support of this budget request is presented by line of business. This is different than last year when the budget information was presented by activity. We have made this change to reflect the line-of-business structure the FAA adopted last year. This reorganization occurred for several reasons, chief among them being better accountability, enhanced safety, and more business-like management.

AIR TRAFFIC SERVICES -- $3,827 million and 35,574 FTE's

Air Traffic Services incorporates Air Traffic and Airway Facilities and is the operations and maintenance arm of the National Airspace System (NAS). Consisting of air traffic controllers, engineers and technicians, pilots and flight inspection personnel, business managers, and support staff, Air Traffic Services controls approximately 154,000 takeoffs and landings per day, provides 24 hours of air traffic control daily, operates and maintains 31,000 facilities and pieces of equipment, maintains 8,200 terminal instrument flight procedures and 9,000 airway segments, conducts over 11,000 flight inspections per year nationally and internationally, assigns and protects more than 40,000 aeronautical radio frequencies used in air traffic control, and directs the modernization of the NAS infrastructure.



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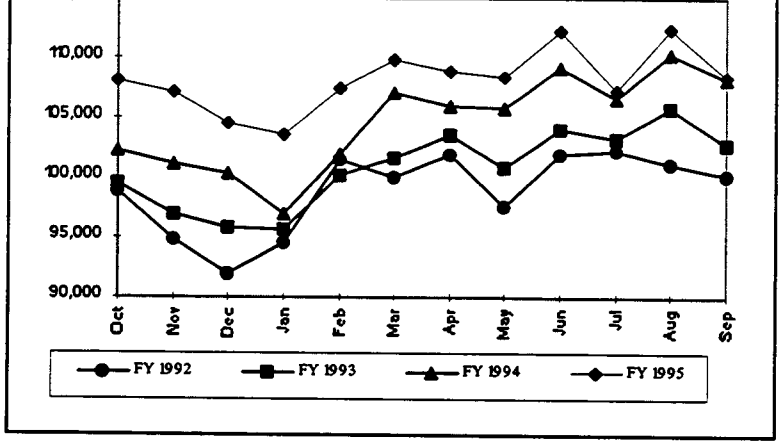


Figure 6

forces by hiring an additional 500 new controllers (for a net increase of 250 after attrition) and 134 new field maintenance technicians; (2) close its 16 non-automated flight service stations (FSS's) in the continental United States which will complete the FSS consolidation program (with their workloads being shifted to new automated flight service stations without any reduction in the service provided); (3) expand its use of weather observers at sites where FSS's will close and augment the Automated Surface Observing System (ASOS) at sites where aviation weather responsibilities were transferred to the FAA from the National Weather Service; (4) continue its initiative to convert FAA low-activity Level I visual flight rule (VFR) towers to contract operation; and (5) bring on-line new safety and capacity air traffic control equipment.

There are five major Air Traffic Services subactivities:

The Air Traffic subactivity is responsible for safe and efficient control of air traffic 365 years a year, 24 hours a day, through the operation of 352 towers, 26 Terminal Radar Approach Control, and 24 en route centers. In addition, Air Traffic maintains a network of flight service stations, which provide flight and weather information and record flight plans (mostly for general aviation pilots). For FY 1997, this subactivity requires $2,269 million and 24,183 FTE's.

The National Airspace System (NAS) Logistics subactivity is responsible for depot and limited field maintenance; supply support for NAS equipment and agency aircraft; replenishment and repair of spares; procurement activities in the regions and at the Mike Monroney Aeronautical Center; the purchasing, leasing, and management of real estate including land, office space, and specialized facilities; and material and property management and administrative services to support the day-to-day operations of the agency. For FY 1997, this subactivity requires $183 million and 1,195 FTE's.

The purpose of the Systems Maintenance subactivity is to provide for the maintenance, repair, and engineering of over 32,000 facilities and equipment comprising the National Airspace

The Leased Telecommunications subactivity provides the critical Air Traffic Control telecommunications link in the process that begins with identification of a National Airspace System (NAS) requirement and ends with the commissioning and operation of a new NAS facility. It also provides FAA-wide telecommunication services. Because of the very nature of these activities, these expenditures are largely mandatory if the essential operational nature of the FAA is not to be impaired. For FY 1997, this subactivity requires $351 million.

The purpose of the Flight Inspection and Procedures subactivity is to promote and ensure aviation safety by providing in-flight investigation of air navigation aids and instrument flight procedures, developing and maintaining flight procedures, and periodic flight checks of FAA facilities. For FY 1997, this subactivity requires $60 million and 580 FTE's.

AVIATION REGULATION AND CERTIFICATION -- $488 million and 5,301 FTE's

The mission of the Regulation and Certification (AVR) organization is to promote aviation safety. To fulfill this mission, AVR:

- Establishes safety standards governing the design and manufacture of aircraft, engines, and other aeronautical products; operational maintenance and the training of aircraft, airmen and aviation mechanics; and medical qualification of airmen and air traffic controllers.

- Monitors safety performance by conducting safety inspections and surveillance, initiating enforcement actions where appropriate, and participating in accident investigations.

- Issues and maintains certificates for design and manufacturing of aircraft and aircraft parts; certificates and licenses for operators, air agencies, and airmen; medical certificates for airmen; aircraft registrations; and designee appointment and monitoring.

- Manages the FAA rulemaking program which is the primary means by which safety standards and policy are drafted, opened to public comment, and finalized.

- Conducts aviation safety education and research.

For FY 1997, AVR requires $488 million and 5,301 FTE's to meet existing and anticipated workload requirements. Included in the request is funding to support a staffing increase of 410 to continue the multi-year effort to increase inspector and clerical support staff required to reverse the decline in this workforce from FY 1992 through FY 1994. In addition, funding

Civil Aviation Security is responsible for the protection of the U.S. traveling public in commercial air transportation against terrorist and other criminal acts and for determining on behalf of the U.S. Government that civil aviation is secure. This function is performed by ensuring that airports and air carriers implement required security measures to meet the threat. Because terrorists seek to destroy public confidence in the safety of air travel and disrupt this vital segment of the U.S. and world economies, the continued growth of commercial air transportation hinges in large part of the success of aviation security. Protecting aviation's infrastructure FAA facilities and equipment, and the employees who run them is also part of Security's responsibility. The Civil Aviation Security Program also assists in the interdiction of drug and narcotics coming into the United States.

In FY 1997, the number of security agents will be held constant 625 from FY 1996 to FY 1997, in recognition of the critical safety nature of their work.

ADMINISTRATION OF AIRPORTS -- $45 million and 493 FTE's

Administration of Airports monitors our Nation's airports and overseas the Federal program of Airport Improvement Grants designed to improve the capacity and safety of these airports. For FY 1997, the Administration of Airports requires 478 employees, the same level of employment anticipated for FY 1996.

RESEARCH AND ACQUISITIONS -- $78 million and 697 FTE's

Research and Acquisitions integrates all the research, prototyping, system development and acquisition activities at the FAA to ensure a timely modernization of the National Airspace System. Besides providing the resources to manage this integration, it provides for the operation and maintenance of the Technical Center research complex in Atlantic City, New Jersey, and for the corporate management and effective application of information technology resources in support of the FAA mission

COMMERCIAL SPACE TRANSPORTATION -- $6 million and 34 FTE's

Commercial Space Transportation (AST) encourages, facilitates, and promotes commercial space activities by the private sector, and promotes public-private partnerships to build, expand, modernize and operate a space launch infrastructure. In addition, AST licenses commercial space launches and the operation of commercial launch sites. For FY 1997, AST requires a net

ADMINISTRATION -- $332 million and 2,016 FTE's

The Administration line of business provides accounting, budget, management analysis, and human resource services. In addition, it is responsible for Headquarters facility management, the Washington flight program ("Hangar 6"), and aircraft program policy and plans. A large portion of this request is our fixed, mandatory Workers' Compensation payment we must make to the Department of Labor every year. For FY 1997, this payment will equal just over $75 million, or about 23 percent of our requested funding level. For FY 1997, the budget requests a $7 million increase in the technical training program administered by Human Resource Management. This increase is essential if we are to meet the technical training requirements of this agency, especially given the increases proposed in our safety work forces. In recognition of the need to reduce employment, especially overhead employment, staffing in this line of business is expected to decline through attrition without any backfilling by 65, from an employment level of 1,964 at the end of FY 1996 to 1,899 at the end of FY 1997.

STAFF OFFICES -- $69 MILLION AND 584 FTE's

These independent offices, reporting directly to the Administrator and Deputy Administrator, are responsible for establishing, directing, and evaluating agency programs and policy. Their services include system safety, legal counsel, congressional liaison, public affairs, civil rights, policy and planning, international aviation, and the Administrator's and Deputy Administrator's executive staff. For FY 1997, the budget requests a $1.5 million increase which is required to meet higher costs being imposed by the Department of State for the support services it provides to the FAA's overseas personnel. As with the Administration line of business, employment in these staff offices is expected to decline through attrition without any backfilling by 14, from an employment level of 577 at the end of FY 1996 to 563 at the end of FY 1997.

(Dollars in Millions)

	FY 1995 Actual	FY 1996 Estimate	FY 1997 Request	Percent % Change
Air Traffic Services	***$3,572***	***$3,623***	***$3,827***	***5.6%***
Air Traffic	2,188	2,217	2,269	3.8%
Airway Facilities	1,384	1,406	1,558	8.5%
Airway Regulation and Certification	***405***	***438***	***488***	***11.4%***
Civil Aviation Security	***67***	***67***	***72***	***7.5%***
Airports	***39***	***41***	***45***	***9.8%***
Research & Acquisition	***93***	***76***	***78***	***2.6%***
Commercial Space Transportation	***0***	***6***	***6***	***0.0%***
Administration	***322***	***325***	***333***	***2.5%***
Human Resources Management	227	215	224	4.2%
Other	95	110	109	-0.9%
Staff Offices	**75**	**68**	**69**	**1.5%**
TOTAL OPERATIONS	$4,573	$4,644	$4,918	5.9%

Numbers may not add due to rounding

(Dollars in Millions)

		FY 1995 Actual	FY 1996 Estimate	FY 1997 Request
11.1	Full-time permanent	$2,473	$2,576	$2,682
11.3	Other than full-time permanent	23	30	30
11.5	Other personnel compensation	260	249	253
11.8	Special personal services payments	1	2	2
11.9	Total personnel compensation	2,757	$2,857	$2,967
12.1	Civilian personnel benefits	708	704	739
13.0	Benefits for former personnel	13	3	2
21.0	Travel and transportation of persons	86	82	85
22.0	Transportation of things	25	18	20
23.2	Rental payments to others	28	15	16
23.3	Comm., utilities and miscellaneous charges	371	389	423
24.0	Printing and reproduction	10	8	8
25.1	Consulting services	3	4	4
25.0	Other services	433	476	558
26.0	Supplies and materials	89	77	83
31.0	Equipment	49	10	12
42.0	Insurance claims and indemnities	1	1	1
99.0	Subtotal, direct obligations	$4,573	$4,644	$4,918

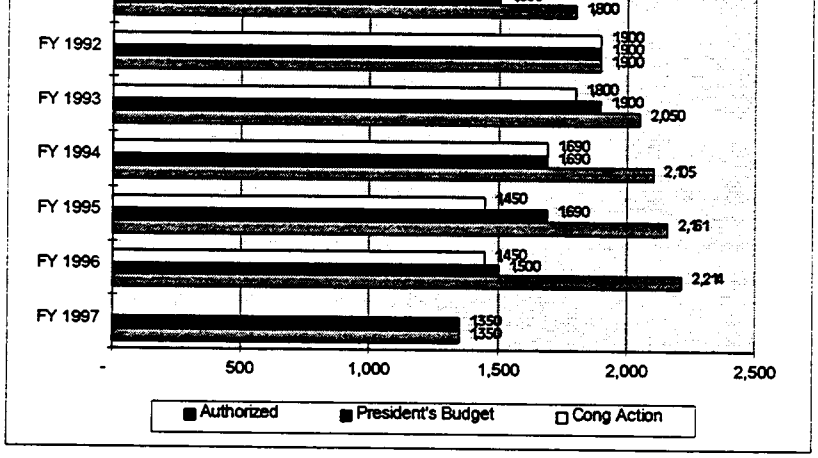
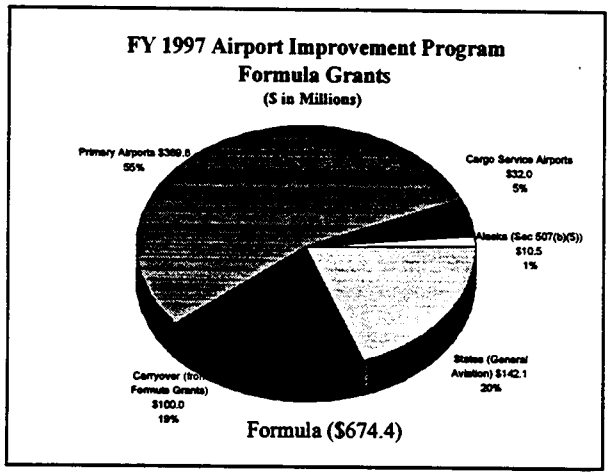


Figure 7

Improvement Grants to eligible airports to enhance capacity, emphasize safety and security needs, and mitigate noise. Airport funding is further augmented by continued implementation of the passenger facility charges (PFCs). At the end of calendar year 1995, 246 airports were approved to collect PFCs totaling more than $12.6 billion over the next 40 years.



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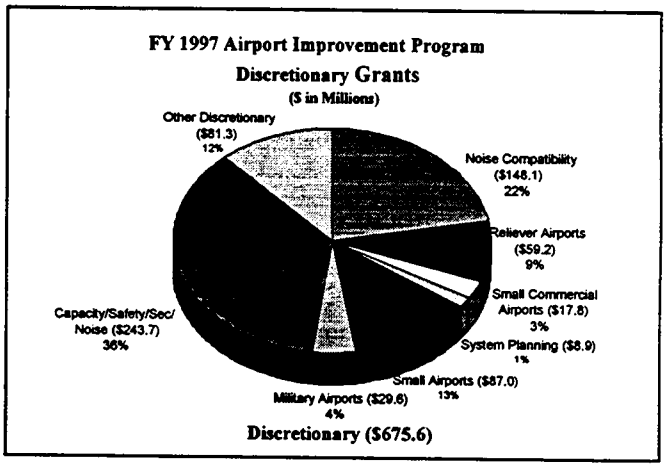

Figure 9

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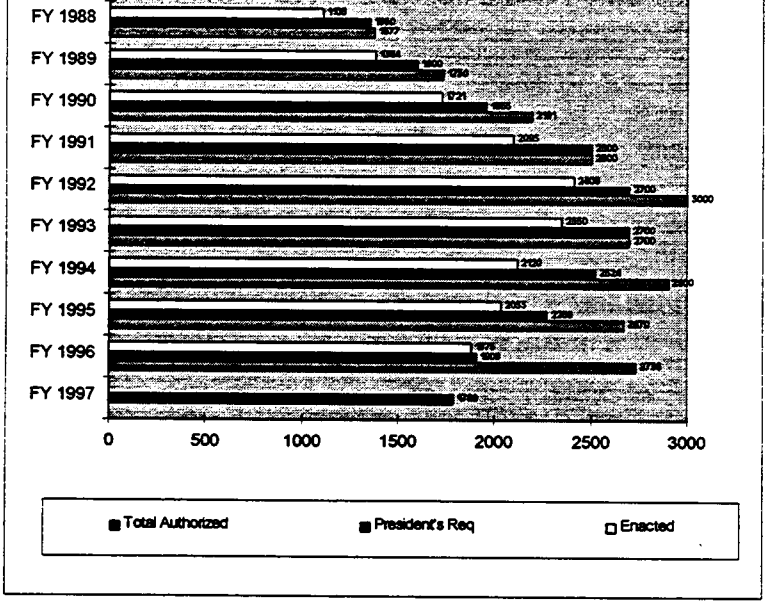

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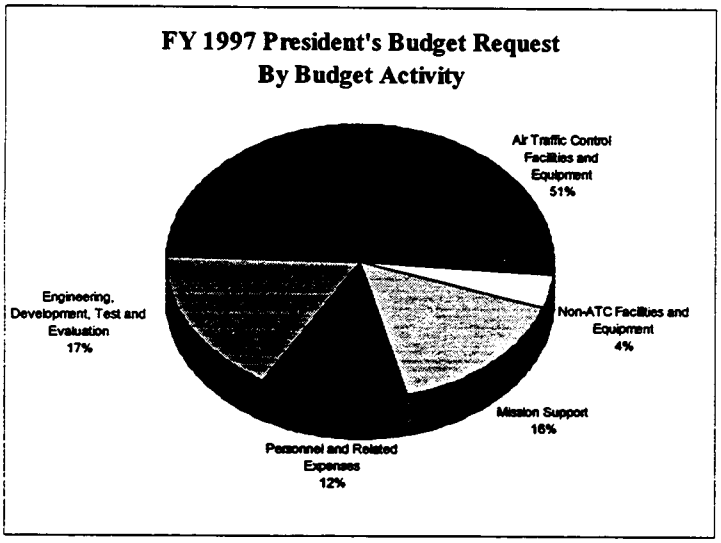


Figure 11

requested in the Facilities and Equipment (F&E) appropriation to fund planned facility improvements, equipment development and procurement, and the necessary technical support for systems installation. The funding requested for FY 1997 supports the FAA's comprehensive Capital Investment Plan (CIP) to modernize and improve the National Airspace System (NAS) to accommodate demands for aviation services, maximize operational efficiency, constrain costs, modernize automation and communication technology and systems, and deal with aging facilities.

Major FY 1997 programs
($ in Millions)

En Route Automation Program	$212.6
Voice Switching and Control System (VSCS)	117.0
Terminal Automation Program	78.3
Wide Area Augmentation System (WAAS) for GPS	74.5
Terminal Air Traffic Control Facilities - Replace	74.4
Technical Services Support Contract (TSSC)	65.9
Transition Engineering Support	49.5

The F&E budget consists of five activities which fund the FAA's effort to modernize and improve air traffic control systems and facility improvements. Summaries of these activities follow.

This Activity includes programs which have migrated from the R,E&D appropriation, programs requiring developmental efforts that were initiated in F&E and will continue in F&E (grandfathered), and those programs that are in acquisition phases prior to Key Decision Point 4 (KDP-4) consistent with the Office of Management and Budget (OMB) circular A-109. The funds requested would initiate or continue programs currently undergoing mission need determination, alternative design concept exploration and identification, or full scale development and limited production. This effort does not duplicate any R,E&D program work.

To maintain an acceptable level of service in the face of the growing volume of traffic, a number of deficiencies in the current system must be addressed. The en route automation program will, over time, overcome these deficiencies and provide additional benefits to the users. The display system replacement (DSR) will replace the existing aging and unsupportable display system equipment and will begin delivering equipment in FY 1997 with an initial operating capability planned for FY 1998. Also in the near term, the display channel complex replacement (DCCR) will provide a low risk option to rehost existing display software on new commercial-off-the-shelf computers. The terminal automation program will provide new automation systems for the terminal environment through the stand-alone terminal automation replacement system (STARS).

PROCUREMENT AND MODERNIZATION OF AIR TRAFFIC CONTROL FACILITIES AND EQUIPMENT

Initiatives in this activity will reduce delays and improve safety at congested airports. In addition, the FAA must invest in the necessary infrastructure to support local airport improvement projects to ensure that added demand for airspace and airport capacity is met efficiently. The Voice Switching and Control System (VSCS) will provide a voice communications system which performs the intercom, interphone, and air/ground voice connectivity and control functions needed for air traffic control operations and will reduce leased costs, increase modularity and growth capability, and increase controller productivity over current services. During FY 1997, the VSCS will become operational at the final five operational sites: Minneapolis, Miami, Los Angeles, Indianapolis, and Jacksonville; and will also begin its support of the DSR program by providing an integrated communications system. Also included in this budget activity is funding for the wide area augmentation system (WAAS) for the global positioning system (GPS). In FY 1997, funding is requested to complete the procurement and fielding of the WAAS initial operating system which will consist of two wide area master stations, six leased ground earth stations, three leased communication satellites, 24 wide area reference stations, a terrestrial communications network, and developed component algorithm software. System developmental and operational testing will be completed for all

WAAS in the National Airspace System as well as acceptance by users.

Other programs funded in this activity include the modernization and improvement of existing buildings and plant equipment which house and support NAS navigation, communications, surveillance, and visual/electronic landing systems. Also funded under this activity is the removal of leaking fuel storage tanks , site cleanup, and disposal of tanks, engine generators, and associated electrical equipment.

PROCUREMENT AND MODERNIZATION OF NON-AIR TRAFFIC CONTROL FACILITIES AND EQUIPMENT

This activity includes general facility support requirements which apply to a wide range of FAA installations. A national program has been established to ensure that all FAA facilities meet existing and future Federal, State, and local environmental regulations for the cleanup of hazardous substances resulting from FAA activities. Funds requested will assess the severity of the problem, and, if environmental damage has occurred, feasibility studies will be conducted to determine the extent of contamination the best technology to be used for cleanup.

FACILITIES AND EQUIPMENT MISSION SUPPORT

This activity includes system engineering and integration and transition engineering support contracts which provide technical and management support in all phases of CIP implementation schedules.

PERSONNEL AND RELATED EXPENSES

Funding for all personnel compensation, benefits, travel and related expenses associated with the Facilities and Equipment programs are budgeted under one consolidated activity. These funds directly support FAA personnel who are primarily responsible for NAS equipment installation and implementation.

In FY 1997, the FAA is requesting a total of $225.5 million to support the F&E workforce. The request level includes an increase to support growing travel requirements associated with engineering, installation, and testing of new NAS equipment and systems. Of the $225.5 million requested, $8.5 million will support permanent change of station (PCS) costs directly associated with the actual consolidation or opening of various NAS facilities. Consistent with direction provided by Congress during the FY 1995 appropriations process, funding for these PCS moves is separately identified and requested in budget activity four.

Enacted	Request	TITLE	Enacted	Request

ACTIVITY 1. Engineering, Development, Test and Evaluation

A. En Route Programs

1A01	1A01	Aviation Weather Services Improvements	19,700.0	27,997.0
1A02	1A02	En Route Automation Program	256,700.0	106,500.0
1A03	1A03	Oceanic Automation System	47,100.0	40,600.0
	1A04	Next Generation VHF A/G Communications System	0.0	2,090.0
1A04	1A05	Voice Switching and Control System (VSCS) - EDT&E	11,000.0	13,300.0
1AXX		Aeronautical Data Link	27,400.0	0.0
		Subtotal - En Route Programs	**361,900.0**	**190,487.0**

B. Terminal Programs

	1B01	Terminal Digital Radar (ASR-11)	0.0	23,300.0
1B03	1B02	Terminal Automation Program	31,600.0	50,600.0
1B02	1B03	Remote Maintenance Monitoring (RMMS) - Sustain	0.0	11,600.0
	1B04	Weather Systems Processor (WSP)	0.0	8,055.0
	1B05	Airport Surface Target Identification System (ATIDS)	0.0	4,000.0
1B01		Airport Surveillance Radar (ASR)	14,300.0	0.0
1B04		Tower Automation Program	29,500.0	0.0
1BXX		Terminal Area Surveillance Sensor (TASS)	5,000.0	0.0
		Subtotal - Terminal Programs	**80,400.0**	**97,555.0**

D. Landing and Navigational Aids Programs

	1D01	Local Area Augmentation System (LAAS) for GPS	0.0	6,000.0
		Subtotal - Landing And Navigational Aids Programs	**0.0**	**6,000.0**

E. Research, Test and Evaluation Equipment and Facilities

1E01	1E01	Independent Operational Test And Eval (IOT&E) Support	1,500.0	3,500.0
1E02	1E02	FAA Technical Center - Technical Building Lease	5,290.0	5,290.0
1E03	1E03	Utility Plant Modifications	1,560.0	910.0
1E05	1E04	NAS Improvement of System Support Laboratory	2,000.0	2,000.0
1E06	1E05	Technical Center Facilities	9,600.0	9,000.0
1E04		General Airport Improvement	150.0	0.0
1E07		Technical Center Fiber Data Distribution Interface	2,000.0	0.0

1E08		CAMI Infrastructure - Modernization	600.0	0.0
1E09		Cabin Research Facility Construction	500.0	0.0
		Subtotal, Research, Test And Evaluation Equipment and Facs	**23,200.0**	**20,700.0**
		Total Activity 1	**465,500.0**	**314,742.0**

ACTIVITY 2. Air Traffic Control Facilities and Equipment

A. En Route Programs

2A01	2A01	Long Range Radar (LRR) Program - Replace/Establish	12,800.0	17,702.0
2A05	2A02	En Route Automation Program	17,700.0	106,100.0
2A06	2A03	Air Traffic Operations Management System (ATOMS)	1,000.0	2,650.0
2A07	2A04	Weather And Radar Processor (WARP)	7,800.0	24,650.0
2A08	2A05	Aeronautical Data Link (ADL) Applications	0.0	17,425.0
2A09	2A06	ARTCC Building Improvements/Plant Improvements	59,100.0	71,659.7
2A10	2A07	Voice Switching And Control System (VSCS)	106,100.0	103,700.0
2A11	2A08	Remote Communications Facilities (RCF) - Expand/Relocate	1,000.0	2,825.0
2A12	2A09	Traffic Flow Management	40,300.0	40,360.0
2A13	2A10	Data Multiplexing Network (DMN)	7,900.0	3,900.0
2A15	2A11	En Route Communications And Control Facilities Improvement	3,181.0	3,265.8
2A16	2A12	Satellite Communications Circuit Back-Up	4,000.0	2,000.0
2A17	2A13	DOD Base Closure - Facility Transfer	5,000.0	500.0
2A18	2A14	Back-Up Emergency Communications (BUEC)	2,000.0	3,000.0
	2A15	ATC Beacon Interrogator (ATCBI) Replace	0.0	1,000.0
2A02		Radar Microwave Link (RML) System Replacement/Expansion	1,000.0	0.0
2A03		Next Generation Weather Radar (NEXRAD) - Provide	10,800.0	0.0
2A04		Air Traffic Control En Route Radar Facilities Improvements	11,800.0	0.0
2A14		Critical Communications Support	2,000.0	0.0
2AS1		Display Channel Complex Rehost	20,000.0	0.0
2AS2		Volcano Monitoring	2,000.0	0.0
		Subtotal - En Route Programs	**315,481.0**	**400,737.5**

B. Terminal Programs

2B01	2B01	Terminal Doppler Weather Radar (TDWR) - Provide	7,400.0	4,655.0
2B02	2B02	Mode S - Provide	12,700.0	3,980.0
2B03	2B03	Terminal Automation Program	17,300.0	27,700.0
2B04	2B04	Airport Movement Area Safety System (AMASS)	11,300.0	15,393.0
2B05	2B05	Remote Maintenance Monitoring System (RMMS) - Provide	24,500.0	17,900.0
2B06	2B06	Terminal Air Traffic Control Facilities - Replace	60,400.0	74,400.0

2B07	2B07	Air Traffic Control Tower (ATCT)/TRACON Facilities - Improve	25,600.0	16,354.9
2B10	2B08	Terminal Voice Switch Replacement (TVSR)	14,000.0	17,900.0
2B12	2B09	Terminal Radar (ASR) - Improve	3,506.0	4,445.4
2B13	2B10	Airport Surface Detection Equipment (ASDE)	8,800.0	4,000.0
2B15	2B11	Employee Safety/OSHA and Environmental Compliance Stds	21,000.0	36,924.0
2B17	2B12	Chicago Metroplex Control Facility (MCF)	1,000.0	2,900.0
2B20	2B13	New Austin Airport at Bergstrom	14,000.0	16,900.0
2B14	2B14	Potomac Project Metroplex	10,400.0	1,000.0
2B21	2B15	Southern California Metroplex Control Facility	2,000.0	5,700.0
	2B16	Denver Metroplex Control Facility	0.0	4,000.0
2BH1	2B17	Northern California Metroplex Control Facility	3,800.0	8,700.0
2BH2	2B18	Atlanta Metroplex Control Facility	3,800.0	500.0
	2B19	Tower Automation Program	0.0	10,000.0
	2B20	Digital Voice Recorder System (DVSR)	0.0	4,000.0
2B23	2B21	Terminal Communications Improvements	3,495.0	3,406.2
2B08		Metroplex Control Facility - Advanced Facility Planning	2,000.0	0.0
2B09		Emergency Transceivers - Replacement	2,000.0	0.0
2B11		Radio Control Equipment (RCE) - Provide	1,100.0	0.0
2B16		ARTS IIIA Data Entry/Display	1,000.0	0.0
2B18		Dallas/Fort Worth Metroplex Program	13,000.0	0.0
2B19		Precision Runway Monitors	0.0	0.0
2B22		Integrated Network Management System	0.0	0.0
2BH3		Low Cost ASDE	5,000.0	0.0
2BH4		Loop Technology for Surface Detection	2,000.0	0.0
		Subtotal - Terminal Programs	**271,101.0**	**280,758.5**

C. Flight Service Programs

2C02	2C01	Automated Surface Observing System (ASOS)	24,500.0	1,369.0
2C03	2C02	FSAS Oper and Supportability Implementation Sys (OASIS)	16,700.0	500.0
2C01		Flight Service Station (FSS) Automation	1,000.0	0.0
2C04		Flight Service Facilities Improvement	805.0	0.0
		Subtotal - Flight Service Programs	**43,005.0**	**1,869.0**

D. Landing and Navigational Aids Programs

2D01	2D01	VOR/DME/TACAN Network Plan	1,000.0	1,900.0
2D03	2D02	Instrument Landing System (ILS) - Establish/Upgrade	35,000.0	1,500.0
	2D03	Approach Lighting System Improvement Program (ALSIP)	0.0	2,000.0

2D05	2D04	Low Level Windshear Alert System (LLWAS) - Upgrade	15,000.0	17,399.0
2D06	2D05	Runway Visual Range (RVR) - Establish	9,000.0	3,000.0
2D07	2D06	Instrument Approach Procedures Automation (IAPA)	900.0	2,400.0
2D08	2D07	Gulf of Mexico Offshore Program	4,900.0	5,950.0
2D09	2D08	ILS - Replace GRN 27	6,900.0	9,000.0
2D10	2D09	Wide Area Augmentation System (WAAS) for GPS	86,900.0	74,500.0
2D11	2D10	Navigational and Landing Aids - Improve	3,864.0	3,744.0
2D02		ILS - Replace Mark 1A, 1B, and 1C	6,900.0	0.0
2D04		Visual Navaids - Establish/Expand	2,000.0	0.0
		Subtotal - Landing And Navigational Aids	**172,364.0**	**121,393.0**

E. Other ATC Facilities Programs

2E01	2E01	Alaskan NAS Interfacility Communications System (ANICS)	5,900.0	12,000.0
2E02	2E02	Fuel Storage Tank Replacement and Monitoring	16,000.0	43,700.0
2E03	2E03	FAA Buildings and Equipment - Improve/Modernize	7,232.0	12,600.0
2E04	2E04	Electrical Power Systems - Sustain/Support	5,400.0	15,000.0
2E05	2E05	Air Navigational Aids And ATC Facilities (Local Projects)	1,000.0	2,000.0
2E06	2E06	Air Navigation Facility/ATC System Support - Provide	2,500.0	4,800.0
2E08	2E07	Aircraft Related Equipment Program	3,900.0	4,900.0
2E11	2E08	Computer Aided Engineering Graphics (CAEG) Replacement	1,500.0	1,500.0
2E07		Purchase Land or Easement for Existing Facilities	1,500.0	0.0
2E09		Aircraft Fleet Modernization	54,000.0	0.0
2E10		Airport Cable Loop Systems - Sustained Support	2,000.0	0.0
		Subtotal - Other ATC Facility Programs	**100,932.0**	**96,500.0**
		Total Activity 2	**902,883.0**	**901,258.0**

ACTIVITY 3. Non-ATC Facilities and Equipment

A. Support Equipment

3A01	3A01	NAS Management Automation Program (NASMAP)	0.0	1,300.0
3A02	3A02	Hazardous Materials Management	18,000.0	18,000.0
3A03	3A03	National Airspace System Recovery Communications (RCOM)	2,000.0	1,500.0
3A04	3A04	Aviation Safety Analysis System (ASAS)	19,400.0	19,400.0
3A05	3A05	Operational Data Management System (ODMS)	4,900.0	5,100.0
3A07	3A06	FAA Employee Housing	4,900.0	5,000.0
3A08	3A07	Logistics Support System and Facilities	2,000.0	1,500.0
3A09	3A08	Test Equipment - Maintenance Support for Replacement	1,000.0	1,000.0
3A10	3A09	Integrated Flight Quality Assurance	1,000.0	2,000.0

3A11	3A10	Safety Performance Analysis Subsystem (SPAS)	3,200.0	2,600.0
3A12	3A11	Performance Enhancement Systems (PENS)	2,100.0	1,900.0
3A13	3A12	National Aviation Safety Data Analysis Center (NASDAC)	2,000.0	3,700.0
3A06		Child Care Facilities	2,600.0	0.0
3AXX		Airport/Aircraft Security Equipment	10,000.0	0.0
		Subtotal - Support Equipment	**73,100.0**	**63,000.0**

B. Training Equipment and Facilities

3B01	3B01	Distance Learning	8,800.0	7,000.0
3B03	3B02	National Airspace System (NAS) Training Facilities	3,000.0	1,000.0
3B02		Aeronautical Center Training and Support Facilities	6,900.0	0.0
		Subtotal - Training, Equipment And Facilities	**18,700.0**	**8,000.0**
		Total Activity 3	**91,800.0**	**71,000.0**

ACTIVITY 4, Mission Support

A. System Support and Services

4A01	4A01	System Engineering and Development Support	69,400.0	33,350.0
4A02	4A02	Program Support Leases	29,500.0	29,600.0
4A03	4A03	Logistics Support Services	7,000.0	8,800.0
4A04	4A04	Mike Monroney Aeronautical Center - Lease	15,000.0	15,500.0
4A05	4A05	In-Plant NAS Contract Support Services	4,900.0	4,800.0
4A06	4A06	Transition Engineering Support	53,000.0	49,450.0
4A07	4A07	Frequency And Spectrum Engineering - Provide	1,300.0	1,200.0
4A11	4A08	Permanent Change Of Station (PCS) Moves	15,000.0	8,500.0
4A09	4A09	FAA Corporate Systems Architecture	3,000.0	9,600.0
4A10	4A10	Technical Services Support Contract (TSSC)	60,200.0	65,900.0
	4A11	Resource Tracking Program (RTP)	0.0	1,000.0
	4A12	Center for Advanced Aviation System Development	0.0	57,000.0
4A08		Acquisition Oversight	400.0	0.0
		Total Activity 4	**258,700.0**	**284,700.0**

5ALL	5ALL	Personnel and Related Expenses	**216,000.0**	**217,000.0**

TOTAL[1]	***1,934,883.0***	***1,788,700.0***

[1] Excludes reductions pursuant to rescission included in P.L. 104-50, FY 1996 DOT Appropriations Act.

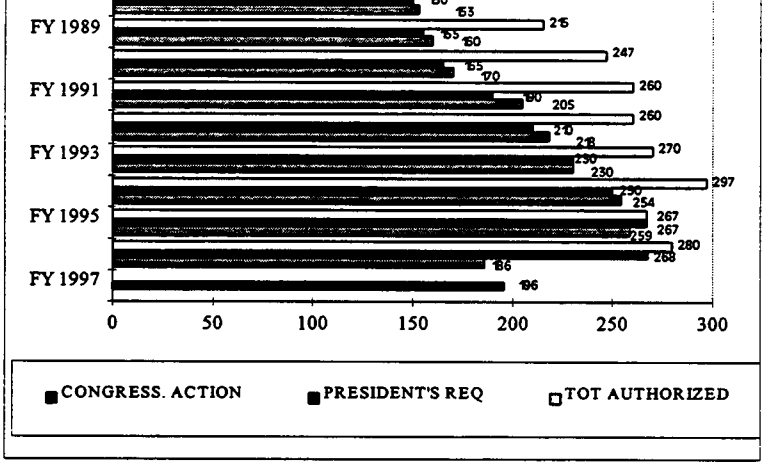


Figure 12

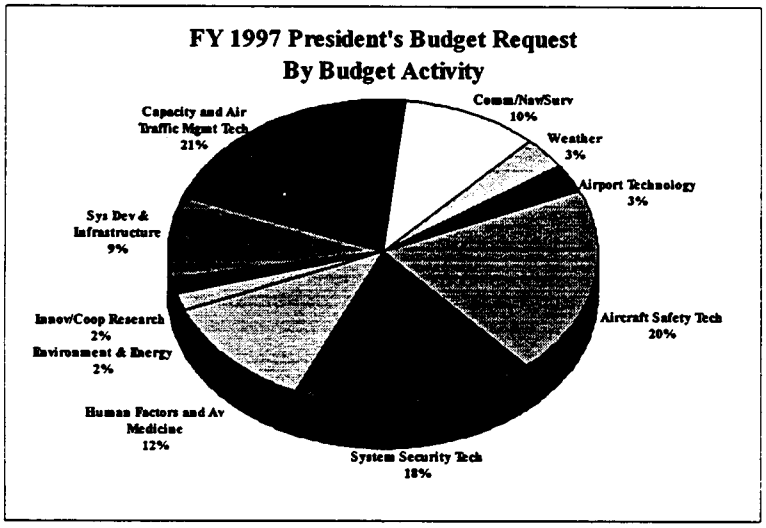


Figure 13

requested to support the Research, Engineering and Development R,E&D program. These additional funds are needed if the FAA is to continue minimal levels of research in critical safety, security, and human factors initiatives as well as provide some support for developing emerging technology and procedures needed for the implementation of user-demanded changes in the National Airspace System.

The FAA R,E&D program has made significant contributions that assures the safety, capacity, and cost effectiveness of the air transportation system to meet increasing demands and user requirements. The R,E&D program has made significant contribution to the development of effective standards, regulations and guidance materials necessary to support the Agency's regulatory mission. The following activities are examples of future benefits that are attained from a continued investment in FAA R,E&D programs:

- Implementation of new Air Traffic Management concept that will allow users greater flexibility in how they operate their aircraft with accompanying decreases in their operating costs.

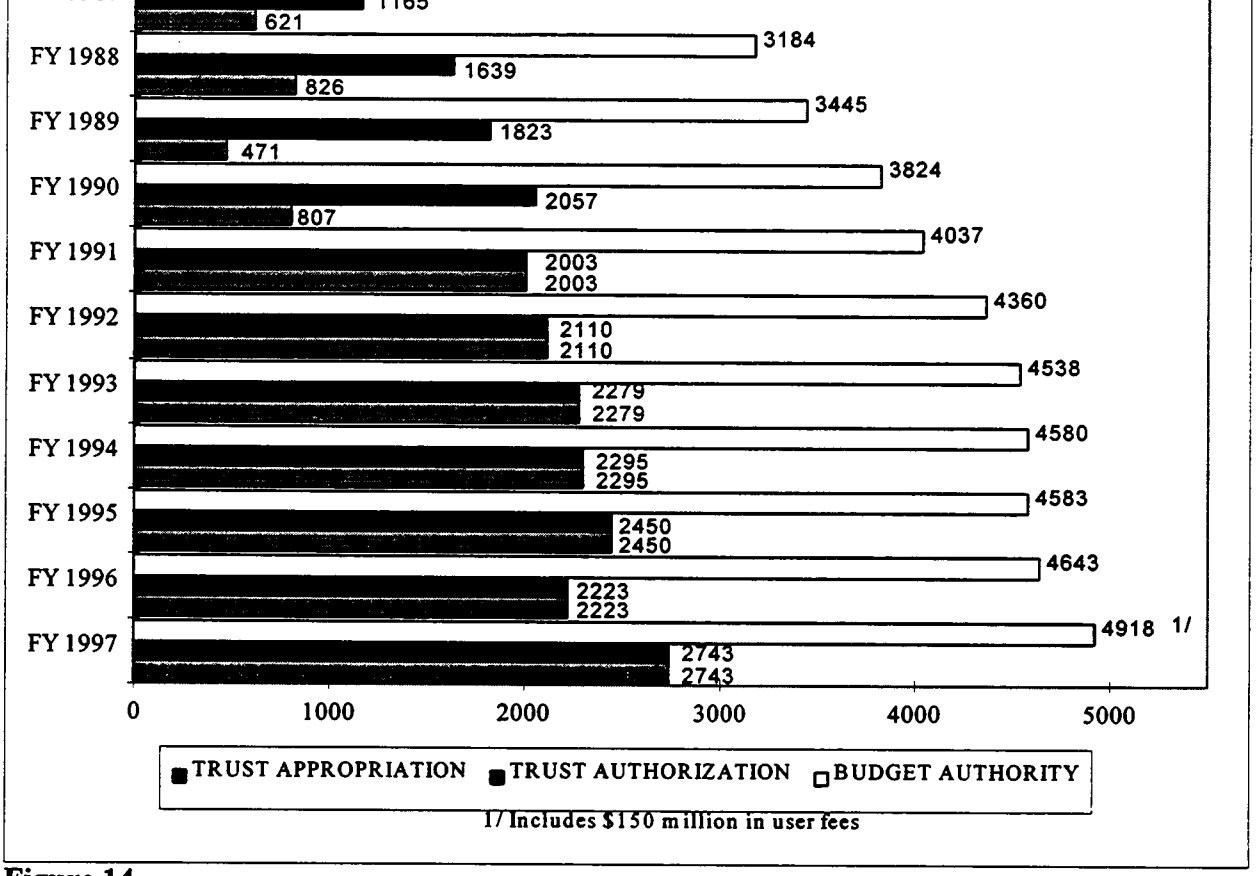
- Improved and additional weather products that allows more effective utilization of the airspace.

- Research products in weather, aircraft safety technology, and human factors that will enable all the aviation community to move ahead towards the objective of "zero accidents".

Table 8

Research, Engineering and Development
Summary of Request by Activity/Program
(Dollars in Thousands)

	Program Areas/ Program	FY 1996 Enacted	FY 1997 Request
1	***System Development and Infrastructure***	***10,000***	***16,822***
	a. System Planning and Resource Management	2,000	4,857
	b. Technical Laboratory Facility	8,000	6,765
	c. Federally Funded Research Development Center	0	5,200
2	***Capacity & Air Traffic Management Technology***	***37,200***	***40,570***
	a. Air Traffic Management Technology	3,500	6,757
	b. Oceanic Automation Program	8,000	6,539
	c. Runway Incursion Reduction	4,000	2,766
	d. System Capacity, Planning and Improvements	9,000	8,950
	e. Cockpit Technology	6,700	5,584
	f. General Aviation and Vertical Flight Technology Program	2,600	3,894
	g. Modeling, Analysis, and Simulation	3,400	4,133
	h. Traffic Management Automation	0	1,947
3	***Communications, Navigation and Surveillance***	***23,000***	***20,371***
	a. Communications	10,000	10,798
	b. Satellite Navigation	13,000	9,573
	c. Surveillance	0	0
4	***Weather***	***6,493***	***6,411***
5	***Airport Technology***	***6,000***	***6,000***
6	***Aircraft Safety Technology***	***37,978***	***38,999***
	a. Fire Research and Safety	5,700	6,993
	b. Advanced Materials/Structural Safety	2,000	3,065
	c. Propulsion and Fuel Systems	3,400	3,779
	d. Flight Safety/Atmospheric Hazards Research	4,173	2,063
	e. Aging Aircraft	20,000	13,889
	f. Aircraft Catastrophic Failure Prevention Research	2,705	3,094
	g. Aviation Safety Risk Analysis	0	6,116
7	***System Security Technology***	***36,045***	***36,045***
	a. Explosives and Weapons Detection	29,000	27,387
	b. Airport Security Technology Integration	1,000	2,258
	c. Aviation Security Human Factors	2,549	5,039
	d. Aircraft Hardening	3,496	1,361
8	***Human Factors and Aviation Medicine***	***23,682***	***23,682***
	a. Flight Deck/Maintenance/System Integration Human Factors	11,182	10,196
	b. Air Traffic Control/Airway Facilities Human Factors	10,000	9,308
	c. Aeromedical Research	2,500	4,178
9	***Environment and Energy***	***3,800***	***3,800***
10	***Innovative/Cooperative Research***	***1,500***	***3,000***
	TOTAL R,E&D	**185,698**	**195,706**


1165
621
FY 1988
3184
1639
826
FY 1989
3445
1823
471
FY 1990
3824
2057
807
FY 1991
4037
2003
2003
FY 1992
4360
2110
2110
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4538
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2450
2450
FY 1996
4643
2223
2223
FY 1997
4918 1/
2743
2743
0
1000
2000
3000
4000
5000
TRUST APPROPRIATION
TRUST AUTHORIZATION
BUDGET AUTHORITY
1/ Includes $150 million in user fees

Figure 14

	FY 1995	FY 1996 Estimate	FY 1997 Estimate
Balance, start of year	5,051	5,167	2,339
Receipts[1]			
Excise taxes	5,534	1,383	
Interest	757	782	
Excise taxes, legislative proposal		898	6,251
Interest, legislative proposal			560
Total Receipts	6,291	3,063	6,811
Total: Balances and collections	11,342	8,230	9,150
Appropriations:			
Facilities and equipment	(1,960)	(1,935)	(1,789)
Research, engineering and development	(252)	(186)	(196)
Grants-in-aid for airports	(1,500)	(1,500)	(1,500)
Appropriation	1,500	1,500	1,500
Appropriation	(1,450)	(1,450)	(1,350)
Trust fund share of FAA operations	(2,450)	(2,223)	(2,743)
Payments to Air Carriers	(23)	(39)	(39)
Appropriation	23	23	22
Appropriation	(23)	(39)	(39)
Aviation statistics			(3)
Trust Fund Share of Rental Payments	(40)	(42)	(39)
Subtotal appropriations	(6,175)	(5,891)	(6,176)
Total balance, end of year	5,167	2,339	2,974
Unexpended balance brought forward:			
U.S. securities (par)	12,206	11,145	8,290
Uninvested Balance	180	220	0
Total balance, start of year	12,386	11,365	8,290

[1] Note: Assumes taxes are reestablished on August 1, 1996 and assumes recapture in the trust fund of December 95 tax liabilities, currently going to General Fund.

	FY 1995	FY 1996 Estimate	FY 1997 Estimate
Cash income during the year:			
Government receipts:			
Passenger ticket tax	4,768	1,936	5,431
Waybill tax	361	158	374
Fuel tax	211	83	215
International departure tax	233	117	271
Refund of Taxes	(39)	(13)	(40)
Intragovernmental transaction:			
Interest on investments	757	782	560
Offsetting Collections			
Facilities and Equipment	67	124	127
Research, engineering and development	5	6	6
Total cash income	6,363	3,193	6,944
Cash outlay during the year:			
Grants-in-aid for airports	(1,826)	(1,622)	(1,483)
Facilities and equipment	(2,639)	(1,996)	(1,914)
F&E Offsetting Collections	(67)	(124)	(127)
Research, engineering and development	(232)	(234)	(216)
RE&D Offsetting Collections	(5)	(6)	(6)
Trust Fund share of FAA Operations	(2,546)	(2,223)	(2,743)
Payment to Air Carriers	(29)	(21)	(22)
BTS Office of Airline Information			(2)
Trust Fund Share of rental payments	(40)	(41)	(39)
Total annual outlays	(7,384)	(6,268)	(6,552)
Unexpended balance , end of year			
U. S. Securities: Par Value	11,145	8,290	8,683
Uninvested balance	220		
Total balance of fund, end of year	11,365	8,290	8,683
Obligated Balance	(5,337)	(5,080)	(4,847)
Unobligated Balance	(901)	(1,582)	(1,536)
Total Commitments	(6,238)	(6,662)	(6,383)
Uncommitted balance, end of year	5,127	1,628	2,299

	FY 1996 President's Budget	FY 1996 Enacted	Difference
Budget Authority			
Operations	$4,710.50	$4,642.70	-$67.80
General	(2,101.40)	(2,419.80)	-318.40
Trust	(2,609.10)	(2,222.90)	386.20
Grants-in-Aid to Airports Obligation Limitation	1,500.00	1,450.00	-50.00
Facilities and Equipment	1,907.80	1,934.00	26.20
Facilities and Equipment Rescission		(60.00)	-60.00
Research, Engineering and Development	267.70	185.70	-82.00
Aircraft Purchase Loan Guarantee	0.05	0.05	0.00
Total Amounts Available	**$8,386.05**	**$8,152.45**	**-$233.60**
Full Time Equivalents	**48,839**	**48,555**	**-284**
Direct	**48,425**	**48,141**	**-284**
Operations	45,469	45,185	-284
Facilities and Equipment	2,250	2,250	0
Research, Engineering and Development	703	703	0
Aviation Insurance Revolving Fund	3	3	0
Reimbursable	**414**	**414**	**0**
Operations	353	353	0
Facilities and Equipment	55	55	0
Research, Engineering and Development	6	6	0

(Dollars in Thousands)

Appropriation	FY 1995 Actual	FY 1996 Estimate	FY 1997 Estimate
Operations	$4,512,916	$4,701,000	$4,752,000
(General)	(1,967,062)	(2,478,141)	(2,009,000)
(Trust)	(2,545,854)	(2,222,859)	(2,743,000)
Facilities and Equipment	2,637,813	1,996,000	1,914,000
Research, Engineering and Development	232,272	234,000	216,000
Grants-in-Aid to Airports	1,826,000	1,622,000	1,483,000
Aircraft Purchase Loan Guarantee	1	5	5
Miscellaneous Expired Accounts	145	1,724	0
Aviation Insurance Revolving Fund	(2,395)	(3,600)	(3,600)
[redacted]			
(General)	(1,964,813)	(2,476,270)	(2,005,405)
(Trust)	(7,241,939)	(6,074,859)	(6,356,000)
Proprietary Receipts:			
Miscellaneous Recoveries & Receipts	(403)	(1,028)	(1,028)
LIMITATION ON NOTES:			
Aircraft Purchase Loan Guarantee Defaults	9,970	1,600	0